

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

MAIL PROCESSING NETWORK RATIONALIZATION  
SERVICE CHANGES, 2011

Docket No. N2012-1

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO GREETING CARD ASSOCIATION INTERROGATORY  
GCA/USPS-7**

The United States Postal Service hereby provides an institutional response to the above-identified interrogatory of the Greeting Card Association dated December 30, 2011. The interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony F. Alverno, Jr.  
Chief Counsel, Global Business

Michael T. Tidwell

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2998; Fax -5402  
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**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
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**GCA/USPS-7**

- (a) The Postal Service has stated in testimony in this case that the current mail processing network was designed for or around First Class Mail. Please explain in detail how the current system, and P&DCs in particular, are designed for First-Class Mail, as opposed to Standard mail.
- (b) (i) Is it Postal Service policy that Standard Mail, not First-Class Mail, is to be its major focus in the future?
- (ii) If your answer to (i) is not an unqualified "no," please explain fully how, and to what extent, the choice of what processing plants to close is based on the goal to improve the mail processing network for Standard mail.

**RESPONSE**

The testimony to which the question alludes but does not properly characterize actually reads as follows:

Historically, to a great extent, postal mail processing and transportation network infrastructure [footnote omitted] and mail processing technology have been configured and designed to accommodate pursuit of the service standards applicable to First-Class Mail, with considerable emphasis on meeting overnight service standards.

USPS-T-1 at 4, lines 4-7.

- (a) See USPS-T-1 at 4, lines 4-7. As the statement indicates, the configuration of the network is largely designed with considerable emphasis to accommodate First-Class Mail overnight service standards. In an environment in which letters are delivery point sequenced, and all mail volume must be merged together in order to appropriately delivery point sequence the mail volume, there is only so much time between collection and delivery which forces all letter mail volume, regardless of the mail class or service standard to be constrained through these windows in order to be processed together.

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**RESPONSE to GCA/USPS-7 (continued):**

(b)(i&ii)

From a mail processing and transportation network perspective, the major focus of the Postal Service will be those products whose service standards and volumes command the deployment and utilization of its resources. Annual First-Class Mail volume has declined to a point where it is now exceeded by Standard Mail and it is proposed that the vast difference between their respective service standards be diminished to a degree. Nevertheless, the priority in dispatch and proposed service standards for First-Class Mail will continue to require that the non-Network Distribution Center portions of the mail processing network be designed in a manner that gives priority to the needs of First-Class Mail service. The Postal Service is pursuing a network configuration that will allow it to more nimbly adjust to future changes in the mail stream that affect all of its products.